

AMP Real Estate Examination Program—Kentucky National Examination Specifications – Effective April 3, 2006	Broker # Items	Sales # Items
1. Listing Property	31	34
A. Listing		
1. Legal description		
2. Lot size		
3. Physical dimensions of structure		
4. Appurtenances (for example, easements and water rights)		
5. Utilities		
6. Type of construction		
7. Encumbrances (for example, liens, encroachments, restrictions)		
8. Compliance with building codes		
9. Ownership of record		
10. Homeowners association documents and expenses		
11. Brokerage fee		
12. Property taxes		
B. Assessment of Property Value		
1. Location		
2. Anticipated changes (for example, zoning and use)		
3. Depreciation		
4. Deterioration (for example, physical)		
5. Obsolescence (for example, usefulness, outdated characteristics)		
6. Improvements (for example, additions)		
7. Economic trends		
8. Market data		
C. Services to the Seller		
1. Responsibilities of the licensee and the listing firm		
2. Property subdivision		
3. Hidden defects known by the owner		
4. Information about required disclosures (for example lead based paint)		
5. Property included in and excluded from sale (for example, land, minerals, water, crops, fixtures)		
6. Personal property and real property differences		
7. Net proceed estimation		
8. Completion of listing agreement, provision to seller, explanation		
9. Determination that parties holding title have signed listing agreement		
10. Showing of house and safeguarding property		
11. Methods of marketing property		
12. Presentation of offers to the seller		
13. Property tax information		
14. Transaction files		
15. Deed restrictions and covenants		

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16. Forms of ownership interests in real estate, issues related to conveyance of real property		
17. Fair housing laws		
18. Comparative market analysis - sales comparison approach		
19. Comparative market analysis - income derived from property use		
20. Independent appraisal necessity		
21. Inspection necessity		
22. Non-ownership interests in real property (for example leasehold interests of tenants)		
23. Planning and zoning (for example, variance, zoning changes, and special study zones such as floods and geological hazards)		
2. Selling Property	21	22
A. Services to the Buyer		
1. Relationship and responsibilities of licensees and selling firm to buyer		
2. Rights of ownership (for example, bundle of rights)		
3. Types of ownership (for example, joint tenancy and tenancy in common)		
4. Determination of buyer's price range and eligibility for various types of financing		
5. Identification of property that meets buyers needs and specifications		
6. Current market conditions		
7. Showing properties to prospective buyers		
8. Characteristics of property		
9. Material facts concerning property (for example, taxes, zoning, building codes, and other land use restrictions)		
10. Physical condition of property (for example, defects and environmental hazards)		
11. Psychological impact related to property		
12. Income tax implications of home ownership		
13. Tax implications for real estate investments		
14. Required disclosure statements		
15. Sales contract forms and provisions, including contingencies		
16. Recommendation that buyer seek legal counsel		
17. Preparation of offers and counteroffers		
18. Presentation of offers and counteroffers		
19. Planning and zoning (for example, variance, zoning changes, and special study zones such as floods and geological hazards)		
20. Availability of home protection plans		
21. Need for insurance (for example, fire, hazard, liability)		
22. Policy for complying with fair housing laws		

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B. Advising Buyers of Outside Services		
1. Inspection reports		
2. Survey reports		
3. Appraisal reports		
4. Environmental reports		
3. Property Management	14	12
A. Leasing and Management		
1. Negotiation of property management agreements		
2. Negotiation of lease agreements used in property management		
3. Preparation of rental and lease agreements		
4. Explanation of rental and lease agreements		
5. Methods of marketing property		
6. Rental market evaluation		
7. Disclosure of material facts to lessee		
8. Obtaining tenants		
9. Showing property to prospective tenants		
10. Occupancy terms		
11. Applicant screening according to laws and regulations		
12. Complaints and conflict resolution among tenants		
13. Prorating of rents and leases		
14. Operating budgets		
15. Trust accounts		
16. Financial statements for owners		
17. Income, expenses, and rate of return		
18. Environmental and safety hazards		
19. Compliance with federal requirements (for example, ADA, fair housing, lead-based paint disclosures)		
20. Eviction proceedings		
21. Maintenance and repair management		
22. Fees, security deposits, and rent		
23. Insurance coverage to protect tenant and owner		
4. Settlement/Transfer of Ownership	14	17
A. Tax Issues		
1. Tax implications of interest expenses		
2. Real property taxes		
3. Tax shelters		
4. Capital improvements		
5. Property taxation (for example, ad valorem, special assessments)		
6. Tax deferred exchanges		
B. Titles		
1. Need for title search		
2. Title insurance (for example, owner and mortgagee)		
3. Title problems		

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4. Legal procedures (for example, quiet title, foreclosure, bankruptcy, declaratory judgment)		
5. Preparation of title abstracts		
6. Liens and order of priority (for example, mortgages, trust deeds, construction/mechanics liens, judgments by court)		
7. Importance of recording		
C. Settlement Procedures		
1. Purposes and procedures of settlement		
2. Obligations of settlement agent		
3. Calculations regarding proration/prepayment		
4. Warranties associated with deeds (for example, grant, quitclaim)		
5. Settlement statement (HUD-1 form)		
6. Other settlement documents (for example, deed, bill of sale, note, deed of trust)		
7. Real Estate Settlement Procedures Act		
8. Transfer tax		
D. Completion of the Transaction		
1. Negotiations between buyers and sellers leading to an agreement		
2. Contract requirements and fulfillment of contingencies leading to closing		
3. Federal statutory requirements		
4. Rights of home ownership (for example, homestead, rights of husband and wife)		
5. Rights of others related to property (for example, adverse possession, adjoining owners, encroachments)		
6. Nature and types of common interest ownership (for example, condominium, planned unit development, cooperative, townhouse)		
7. Eminent domain proceedings		
8. Legal proceedings against property (for example, attachments and notice of pending legal action)		
9. Securities law application and referral		
10. Situations where experts are required (for example, financial planning and legal advice)		
11. Closing statements (for example, calculate amount owed by buyer and net to seller)		
5. Financing	10	12
A. Sources of Financing		
1. Institutional (for example, savings and loans, banks, mortgage brokers)		
2. Seller financing (for example, land contract, purchase money mortgage)		
3. Assumption of financing		
4. Other sources of financing		

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B. Types of Loans		
1. Security for loans (for example, trust deeds, land contracts, mortgages)		
2. Repayment methods (for example, adjustable rate mortgage, fully/partially/nonamortized, renegotiated rate)		
3. Forms of financing (such as FHA, VA, FmHA, conventional loan)		
4. Secondary mortgage markets (for example, Fannie Mae, FHLMC, GNMA)		
5. Other types of mortgage loans (for example, wraparound, blanket, package)		
6. Down payment assistance programs		
C. Terms and Conditions		
1. Compliance with provisions of federal regulations (for example, Truth-in-Lending Act, Equal Credit Opportunity Act)		
2. Loan origination costs (for example, appraisal fee, credit reports, points)		
3. Lender requirements (for example, property insurance, escrow, deposits, underwriting criteria)		
4. Conditional approval		
5. Default		
6. Foreclosure and redemption rights		
7. Nonrecourse provision		
D. Common Clauses and Terms in Mortgage Instruments		
1. Clauses and terms in mortgage (for example, prepayment, interest rates, release, due-on-sale, subordination)		
2. Escalation		
3. Acceleration		
6. Professional Responsibilities/Fair Practice/ Administrative	10	3
1. <i>Terms of contract between salesperson and broker (for example, employee, independent contractor)</i>		
2. <i>Trust accounts</i>		
3. Complete and accurate records of business transactions		
4. <i>Required notifications and reports to real estate regulatory agency</i>		
5. <i>Company policies, procedures, and standards</i>		
6. Market trends, availability of financing, rates, and conditions of obtaining credit		
7. Resolving misunderstandings among parties to real estate transactions		
8. <i>Sales force training</i>		
9. <i>Sales force supervision</i>		
10. Commissions from sales of real estate		
11. <i>Appropriate distribution of commissions</i>		
12. <i>Accounting procedures in the office</i>		
Total Number of Items	100	100

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